GOVERNMENT OF INDIA
FOOD PROCESSING INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:1757
ANSWERED ON:23.08.2007
PROMOTION OF FOOD PROCESSING INDUSTRIES
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Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether the Government has formulated a new strategy to promote the food processing industry;

(b) if so, the details thereof;

(c) the target fixed for the Food Processing Industry under the said strategy; and

(d) the time by which the said target is likely to be achieved?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAI)

(a) to (d): A Vision Document 2015 on Food Processing Industries has been finalized by the Ministry of Food Processing Industries (MFPI), which envisages trebling the size of the processed food sector by increasing the level of processing of perishables from 6% to 20%, value addition from 20% to 35% and share in global food trade from 1.5% to 3% by 2015. To realize the vision, an estimated investment of Rs. 2.00 lakh crore will be required, out of which ten per cent would be from Government and the remaining would come equally from financial institutions and private investors/FDI.

The Cabinet has approved the integrated strategy for promotion of agribusiness-Vision, Strategy and Action Plan for the Food Processing Sector, based on the recommendations made by the Group of Ministers (GOM) for growth of Food Processing Sector. The thrust areas identified for strategic intervention are as under:-

(i) Establishment of Mega Food Parks in identified clusters with appropriate backward and forward linkages.
(ii) Creation of integrated cold chains/value addition and preservation infrastructure.
(iii) Modernization of abattoirs.
(iv) Upgradation of hygienic and quality street food and food streets.
(v) Establishment and Upgradation of quality control laboratories.
(vi) Restructuring and strengthening of MFPI.
(vii) Rationalizing tax structure.
(viii) Incentivising FDI and private investment in infrastructure.
(ix) Undertaking capacity building of small and unorganized sector.
(x) Liberalized wine and beer policy.
(xi) Launching a major promotional campaign for the food processing sector.
(xii) Need for larger public investment for creation of critical rural infrastructure in food processing sector.

The strategic interventions required for the growth of the food processing sector have been included in the XI Plan proposals.